
JUNE 18, 2020

**AGENDA ITEM 5
INFORMATION ITEM**

SCHOLARSHARE INVESTMENT BOARD

Review of Administrative Performance for ScholarShare 529

Background

The ScholarShare Investment Board (SIB or Board) reviews TIAA-CREF Tuition Financing, Inc.'s (TFI) administrative performance for ScholarShare 529 (Plan) relative to pre-established performance criteria. These administrative performance criteria (Benchmarks) serve as performance goals for customer service areas such as correspondence and customer relationships, confirmation and statements, enrollment kit processing, check processing, account processing, website, call center, tax reporting, and systems.

In anticipation of the transition to a new recordkeeper in January 2020, the Board approved revisions to the Benchmarks at the SIB meeting in December 2019. For this meeting, TFI has provided two quarterly administrative performance reports comparing its performance to the Benchmarks adopted by the Board. These reports include a report that details administrative performance during the period of the first quarter 2020 ending January 24, 2020 (pre-conversion) and a report that details administrative performance during the remaining period of the first quarter from January 27, 2020 through March 31, 2020 (post-conversion).

For the first quarter of 2020, collectively, TFI underperformed in two performance areas, Call Center Answer Time and Call Center Abandonment Rate. An explanation for underperformance in these two areas are included in the memo provided by TFI.

Presenter

Linda English, Senior Director, TIAA-CREF Tuition Financing, Inc.

ScholarShare 529 Plan Customer Service Performance Q1 2020 (Pre Conversion)



Administrative Performance Report - Period Ending January 24, 2020

	Benchmark	1st Qtr 2019	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020
Correspondence & Customer Relationships						
Financial Correspondence Received		1,070	910	853	917	385
Timeliness - Within 3 Days	95%	100%	100%	100%	100%	100%
Non-Financial Correspondence Received		113	106	90	88	43
Timeliness - Within 7 Days	99%	99%	100%	99%	100%	100%
Email Inquiries Received		875	6	0	0	0
Timeliness - Within 1 Day	85%	100%	100%	N/A	N/A	N/A
Timeliness - Within 2 days	100%	100%	100%	N/A	100%	100%
Service Concerns & Compliance Inquiries Received		23	3	6	9	2
Timeliness - Within 7 Days of receipt	100%	100%	100%	100%	100%	100%
Check Processing						
Purchases - Checks Received		24,426	23,402	23,416	25,021	7,022
Accuracy	98%	100%	100%	100%	100%	100%
Timeliness - Within 1 Day	98%	100%	100%	100%	100%	100%
Confirmations and Statements*						
Daily Confirmations		218,948	192,483	212,516	270,684	71,444
Accuracy	98%	100%	100%	100%	100%	100%
Timeliness - Within 5 Days following the transaction	100%	100%	100%	100%	100%	100%
Quarterly/Annual Account Statements ⁽¹⁾		328,752	211,733	325,328	329,740	344,412
Accuracy	98%	100%	100%	100%	100%	100%
Timeliness - Within 5 Days of print approval	100%	100%	100%	100%	100%	100%
Tax Reporting						
Federal Tax Reporting						
IRS Form 1099-Q (mailed by household) ⁽²⁾		37,996	N/A	N/A	N/A	41,871
Accuracy	100%	100%	N/A	N/A	N/A	100%
Timeliness - Mailed by January 31st	98%	100%	N/A	N/A	N/A	100%
Account Transaction Records Filed with IRS		55,975				54,407
Accuracy	100%	100%	N/A	N/A	N/A	100%
Timeliness - Delivered to IRS	98%	100%	N/A	N/A	N/A	100%
State Tax Reporting						
Account Transaction Records Filed with CA FTB		55,975				54,407
Accuracy	100%	100%	N/A	N/A	N/A	100%
Timeliness - Delivered to FTB according to state law	98%	100%	N/A	N/A	N/A	100%
Enrollment Kit Processing						
Enrollment Kits mailed		786	1,120	892	982	Reported in AGS
Timeliness - Within 5 Days of receipt	98%	100%	100%	100%	100%	NA
Call Center						
Calls Received		21,336	21,974	32,240	26,134	12,140
Answer Time - Within 35 Seconds	85%	89%	86%	80%	85%	65%
Abandonment Rate	< 3%	2%	1%	2%	2%	7%
Systems						
Availability		100%	100%	100%	100%	100%
Notification to the State within 1 Day	100%	100%	100%	100%	100%	100%
Nightly Cycle Timeliness - processed before 8am PT	98%	100%	100%	100%	100%	100%
Account Processing						
New Accounts - Enrollment Forms Received		515	694	866	605	213
Accuracy - not less than NQR score**	94%	100%	100%	100%	100%	100%
Timeliness - Within 1 Day	95%	100%	100%	100%	100%	100%
Redemptions - Requests Received		904	764	1,055	1,019	352
Accuracy - not less than NQR score**	99%	100%	100%	100%	100%	100%
Timeliness - Within 1 Day	95%	100%	100%	99%	98%	100%

*Includes printed materials and electronic delivery. Both statements and confirmations are also available electronically and email notifications are sent to the participants.

** NQR is National Quality Review, an independent organization that analyzes transaction quality; benchmark changes qtrly.

(1) Statements are mailed each January, April, July and October, including the previous quarter's activity.

(2) All tax forms are mailed, regardless of eTax preference.

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CA Scholarshare Customer Service Statistics
January 27, 2020 through March 31, 2020

Financial Transactions		Benchmarks	Jan	Feb	Mar	1Qtr	YTD
Purchases*			24,295	191,560	201,751	417,606	417,606
Paper New Accounts			175	141	127	443	443
Redemptions			1,982	7,584	7,640	17,206	17,206
Accuracy of Financial Transactions			Jan	Feb	Mar	1Qtr	YTD
All Financial Transactions			73,554	239,746	316,321	629,621	629,621
Accuracy	98.00%		TBD	98.00%	98.00%	98.00%	98.00%
Timeliness	99.00%		TBD	100.00%	99.98%	99.99%	99.99%
Service Concerns			Jan	Feb	Mar	1Qtr	YTD
Service Concerns - Adjustments			NA	1	2	3	3
Timeliness	100.00%		NA	100.00%	100.00%	100.00%	100.00%
Confirmations and Statements			Jan	Feb	Mar	1Qtr	YTD
Daily Confirmations			31,484	157,331	112,628	301,443	301,443
Accuracy	98.00%		100.00%	100.00%	100.00%	100.00%	100.00%
Timeliness	100.00%		100.00%	100.00%	100.00%	100.00%	100.00%
Quarterly Statements			NA	NA	341,812	341,812	341,812
Timeliness	100.00%		NA	NA	100.00%	100.00%	100.00%
Tax Reporting			Jan	Feb	Mar	1Qtr	YTD
Federal Statements			NA	NA	NA	NA	NA
Accuracy	100.00%						
Timeliness	100.00%						
State Statements			NA	NA	NA	NA	NA
Accuracy	100.00%						
Timeliness	98.00%						
Enrollment Kit Processing			Jan	Feb	Mar	1Qtr	YTD
Total Mailed			246	142	109	497	497
Total Mailed Within 5 Days	98.00%		246	142	109	497	497
Call Center			Jan	Feb	Mar	1Qtr	YTD
Total Calls Received (Post Conversion)			15,213	25,272	17,357	57,842	57,842
Total Calls Abandoned			2,435	594	61	3,090	3,090
Service Level (Calls Answered within 30 seconds)	85.00%		50.43%	75.76%	93.22%	74.33%	74.33%
Abandonment Rate	< 2%		16.01%	2.35%	35.00%	5.34%	5.34%
System Availability			Jan	Feb	Mar	1Qtr	YTD
System Performance Timeliness (Peak)	98.00%		100.00%	100.00%	100.00%	100.00%	100.00%
Minutes Systems were Unavailable			0	0	0	0	0
System Performance Timeliness (Non-Peak)	98.00%		100.00%	100.00%	100.00%	100.00%	100.00%
Minutes Systems were Unavailable			0	0	0	0	0

* Includes ACH, Payroll, Rollover In, Checks



Memorandum

TO

Name
ScholarShare Investment Board (SIB)

Cc
Linda English, TIAA-CREF TFI
Bernie McCrossan, TIAA-CREF TFI

Re
Q1 2020 Administrative Performance Report – Area
of Underperformance

FROM

Name
Jean Seidel
Director, Operations
TIAA-CREF TFI

Date
May 26, 2020

For the period ending March 31, 2020, the Call Center underperformed two of SIB's administrative performance benchmarks as follows:

Call Center Operations

Calls Answered within Service Level

- % of Calls Answered Within 30 Seconds
 - Benchmark: 85%
 - Q1 2020 Performance: 72.70%
- Abandonment Rate
 - Benchmark: < 2%
 - Q1 2020 Performance: 5.72%

The below matrix provides a broader picture of our response time:

2020	January	February	March	1st Quarter
Calls Offered	26,889	25,272	17,357	69,518
Service Level 30 sec	56.60%	75.76%	93.22%	72.70%
% Answered Immediately	44.60%	55.77%	64.64%	53.70%
% Answered within 60 sec or less	60.00%	80.16%	96.35%	76.40%

January's call volumes were unanticipated and unprecedented due to the recordkeeper conversion on January 24th. Although call volumes were forecasted at 2.5 times normal volumes, the actual volumes were 150% above forecast. The types of calls received were as expected but the Account Owners took more immediate action in the first few days following the conversion weekend. This was a positive indicator in that they read and acted

upon the various communications issued in advance of the conversion date. Another contributing factor was that confirmation statements of the conversion activity were issued in a single day on the Monday following conversion where they should have been staggered over three days.

February's call volumes were closer to forecast but arrival times shifted to later in the evening hours than had been historically seen. Despite the impact to service level, average speed of answer was 45 seconds.

March's call volumes were within forecast and staffing was shifted to accommodate the later arrival times and as a result, service level was 92.78% and 0.29% abandonment rate.

Despite the increase in call volumes, average speed of answer improved compared to prior periods. There were minimal service escalations and complaints. The majority of the calls were typical service calls, driven by participants with generalized questions regarding their accounts, information/confirmations related to the transition, and simple access to their online accounts.

With the conversion behind us, volumes have maintained at business as usual levels. April's service level was 90.1% and May's to-date (May 1st – May 22nd) is 93.14%

Bernie McCrossan and Jean Seidel will be in attendance telephonically at the June 18, 2020 SIB meeting to provide additional context needed or answer any questions that may arise.